

ONE HUNDRED FIRST LEGISLATURE - FIRST SESSION - 2009
COMMITTEE STATEMENT
LB188

Hearing Date: Wednesday February 11, 2009
Committee On: Nebraska Retirement Systems
Introducer: Nebraska Retirement Systems
One Liner: Change provisions of the County Employee Retirement Act and the State Employee Retirement Act

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:
Aye: 6 Senators Heidemann, Karpisek, Louden, Mello, Nordquist, Pankonin
Nay:
Absent:
Present Not Voting:

Proponents:

Kate Allen
Joe Schaefer

Representing:

Introducer
Public Employee Retirement Board

Opponents:

Representing:

Neutral:

Beth Bazyn Ferrell

Representing:

Nebraska Association of County Officials

Summary of purpose and/or changes:

LB 188 was introduced on behalf of the Nebraska Public Employees Retirement Systems and includes the following:

1. Extends the window from 30 days to 180 days for state and county retirement plan members to apply for vesting credit for years of participation in another Nebraska government plan in which credit was earned;
2. Clarifies that state and county retirement plan members employed and participating in the retirement system prior to January 1, 2003, who terminate but return to work after 120 days but before 5 years, will be enrolled in the Cash Balance Benefit;
3. Provides a moratorium on Required Minimum Distributions for members of defined contribution plans who have terminated and reached the age of 70 1/2 for calendar year 2009. This provision is pursuant to the Worker, Retiree, and Employer Recovery Act of 2008 recently passed by Congress and is intended to give relief to those defined contribution plan members who have likely suffered declines in their investments due to market conditions;
4. Extends the window from 120 to 180 days after the date of death for beneficiaries to file death benefit applications under the state and county retirement plans;
5. Provides that records received by the Nebraska Public Employees Retirement Systems from the Department of Administrative Services and other employers for purpose of administering various retirement systems, are not subject to the public records act and may be withheld from the public. Information considered a public record includes: the member's name, the retirement system in which the member is a participant, the date the member's participation in the

retirement system commenced, and the date the member's participation in the retirement system ended, if applicable;
and

6. Allows a state retirement plan member to transfer his or her retirement account to the deferred compensation plan after termination.

Section by Section Summary

Section 1. Extends opportunity from 30 days to 180 days for county plan members to apply for vesting credit for years of participation in another Nebraska government plan in which credit was earned.

Section 2. Clarifies that county members employed and participating in retirement system prior to January 1, 2003 who terminate but return to work after 120 days but before 5 years will be enrolled in the cash balance benefit.

Sections 3, 4 & 5. Creates a moratorium for calendar year 2009 on Required Minimum Distributions for county retirees who have terminated and reached the age of 70 1/2.

Section 6. Extends window from 120 to 180 days of death for beneficiaries to file death benefit applications under county plan.

Section 7. Amends public records statutes to allow records received by NPERS from DAS and other employers regarding information on the NIS system to be withheld from the public. Records which may not be withheld are described in section 84-1512 and include: the member's name, the retirement system in which the member is a participant, the date the member's participation in the retirement system commenced, and the date the member's participation in the retirement system ended, if applicable.

Section 8. Reviser clean-up language; no substantive changes.

Section 9. Extends opportunity from 30 days to 180 days to apply for vesting credit for years of participation in another Nebraska government plan in which credit was earned.

Section 10. Clarifies that state members employed and participating in retirement system prior to January 1, 2003 who terminate but return to work after 120 days but before 5 years are enrolled in the cash balance benefit.

Section 11. New statutory section. Allows State plan members to transfer account to deferred compensation plan after termination.

Section 12, 13 & 14. Creates a moratorium for calendar year 2009 on Required Minimum Distributions for state retirees who have terminated and reached the age of 70 1/2.

Section 15. Extends the window from 120 to 180 days of death for beneficiaries to file death benefit applications under state retirement plan.

Section 16. Reviser clean-up language; no substantive changes.

Section 17. Reviser clean-up language; no substantive changes.

Section 18. Clarifies that records received by the Nebraska Public Employees Retirement System from the Department of Administrative Services regarding information on the NIS system are not considered a public record and therefore are not subject to the public records statutes (84-712 through 84-712.09), except for the following information: the member's name, the retirement system in which the member is a participant, the date the member's participation in the retirement system commenced, and the date the member's participation in the retirement system ended, if applicable.

Section 19. Repeals the original sections of the bill.

Explanation of amendments:

The Committee Amendment:

1. Amends LB81 into the bill which increases a State Patrol plan member's contribution rate from 13% to 15% of monthly compensation effective July 1, 2009. The employer contribution would remain at 15%;
2. Technical change to section 28-deletes statutory reference; and
3. Adds the emergency clause, and inserts the operative date of July 1, 2009.

Dave Pankonin, Chairperson